

TREASURY



NEWS

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**SECRETARY ROBERT E. RUBIN
ISSUANCE OF SERIES 1996 \$20 NOTE
TREASURY DEPARTMENT CASH ROOM**

Thank you. I am pleased to be here today to mark the issuance of the new \$20 bill. This is a significant milestone in our ongoing efforts to keep U.S. currency secure against counterfeiting.

The \$20 bill is the most widely circulated denomination after the dollar bill. While our earlier introductions of the \$100 and \$50 bills were very successful, most Americans don't often use the larger denominations. So the new \$20s will be the first of the new series that most people will encounter day after day.

Starting today, the new \$20s will gradually make their way into circulation in this country and around the world. They will begin appearing in Automated Teller Machines and banks, at supermarkets and convenience stores, at retailers and post offices. Already, more than two billion new \$20s have been printed at Treasury's Bureau of Engraving and Printing and distributed to Federal Reserve Banks all across the nation. It will not be long before one of the new notes passes through the hands of everyone who uses U.S. currency.

Of course, the older-design notes will continue to circulate and will always be honored at full face value. There will be no recall and no devaluation of any U.S. currency, no matter how old. I know that I have said this before, but the message is vitally important. After all, people across the globe depend on our currency.

The popularity of the \$20 is also the reason that the bill is the most frequently counterfeited in this country. Using readily available computer scanners, laser printers, and color copiers, a new generation of counterfeiters is producing and passing bogus bills -- many of them of poor quality. Anticipating this trend more than a decade ago, the Government launched an effort to make our paper currency more secure.

The issuance of the new note could not be more timely. The Secret Service has called our attention to a significant increase in the incidence of computer-generated counterfeits in the last few years.

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The new \$20 and the other redesigned denominations possess a series of features that greatly raise the hurdle for counterfeiters. The new features together amount to a formidable tool. The watermark, security thread, color-shifting ink and other new features make spotting a counterfeit easier than ever. Many of the familiar features work very well too -- the pliable texture of the paper, for example.

But currency users have to look at the features for them to be effective. This is a most important message. Look at your cash, and pay more attention to its feel and appearance. Know and understand the new anti-counterfeiting features.

To educate the public about these new notes, the Treasury Department and the Federal Reserve are undertaking an unprecedented public education campaign. Our partners in this effort are performing both a customer service and a public service in agreeing to distribute more than eight million brochures, posters and other materials to their employees, customers and members. Our embassies in some 200 foreign countries are distributing millions more.

Counterfeiting is a federal crime, one which the Attorney General and I take very seriously. Federal arrests rose from 168 in the first quarter of this fiscal year to 257 in the second quarter and about the same number in the third quarter -- a fifty percent increase during a period in which the number of computer-generated counterfeit notes actually remained relatively steady. Counting state actions, the number of arrests similarly kept rising in that time span, reaching more than one thousand in the third quarter.

But we must remain diligent in this effort. That is why the Attorney General and I recently asked the U.S. Sentencing Commission to increase the penalties for computer-generated counterfeiting. By creating a hostile environment for those who would try to pass counterfeit currency, by educating the public, and by creating currency such as this new \$20 bill that is simply more difficult to counterfeit, we can discourage counterfeiting more effectively.

Although we have prepared the public for these new notes, we certainly expect a period of transition, as Mary Ellen indicated. We understand that a change such as this can be unsettling. Still, the public should easily recognize the new \$20, particularly given its resemblance to the new \$50 and \$100. And, of course, Andrew Jackson will still be featured on the bill. We hope the public will immediately begin checking for the new anti-counterfeiting features as well.

We are doing everything we can to ensure a smooth transition to the new, improved, more secure \$20 bill. By working to deter counterfeiters -- both the professionals and the casual counterfeiters -- we are ensuring that U.S. currency remains the most respected and trusted in the world.